

**TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE**



FISCAL NOTE

SB 116 - HB 220

February 11, 2013

SUMMARY OF BILL: Requires the Fiscal Review Committee (FRC) to include an impact to commerce and jobs statement in fiscal notes for all bills and resolutions referred to the following standing committees: House Business and Utilities; Senate and House Finance, Ways and Means; House State Government; House Local Government; House Insurance and Banking; House Consumer and Human Resources; Senate Commerce, Labor and Agriculture; and Senate State and Local Government. Requires such impact statement to analyze the immediate and long-range impact and include, if possible, an estimate in dollars of the anticipated change in costs or savings to commerce under the bill or resolution.

ESTIMATED FISCAL IMPACT:

**Increase State Expenditures - \$10,000/One-Time
\$127,000/Recurring**

Assumptions:

- Each session, the General Assembly proposes bills, resolutions, and amendments dealing with a wide range of issues, industries, businesses, and services. It is difficult to estimate the number of bills, resolutions, and amendments that would require an impact to commerce statement as a result of this bill, but it is assumed that at least one-third of all filed bills and corresponding amendments would fit the criteria of the proposed bill. For 2013, at least 500 bills will be referred to the respective legislative committees and require an impact to commerce statement.
- FRC staff will revise the support form currently utilized by all state and local government departments and agencies when providing information on a particular bill to include questions regarding the impact to commerce statements of proposed legislation.
- The state departments and agencies will not require any additional resources to provide the necessary information to FRC staff to prepare impact to commerce statements.
- FRC staff will need to conduct substantial economic analysis in developing impact to commerce statements. The Committee will require two new Fiscal Analyst 2 positions at a recurring cost of \$127,028 which includes salary (\$50,000) and benefits (\$13,514) for each position plus one-time costs (\$5,000 for each position for computer, equipment, and related items) to conduct the analysis required by the proposed legislation $[(\$50,000 + \$13,514 + \$5,000) * 2]$.

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- Due to the fast pace of a legislative session, FRC staff will not have the time necessary to conduct in-depth economic analysis using economic impact software programming in developing commerce impact statements.

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink, appearing to read "Lucian D. Geise". The signature is fluid and cursive, with the first name "Lucian" written in a larger, more prominent script than the last name "Geise".

Lucian D. Geise, Executive Director

/lsc